

CITY OF LINCOLN/LANCASTER COUNTY

# CONTRACT AWARD NOTIFICATION

## SPECIFICATION NO. 05-011

### ANNUAL REQUIREMENTS FOR AUCTIONEER SERVICES

**DATE:** April 28, 2005

**CONTRACT PERIOD:** June 1, 2005 thru May 31, 2009

**CONTRACTOR:** Stock Auction Company  
PO Box 181  
St. Edward, NE 68660

**PURCHASING DIVISION**  
**K-STREET COMPLEX**  
**440 SOUTH 8<sup>TH</sup> STREET**  
**LINCOLN, NEBRASKA 68508**  
**(402) 441-7410**

**Company Representative:** Mark Stock  
**Telephone No.:** 402-678-2411  
**FAX No.:** 402-678-2511  
**E-Mail Address:** [www.stockauctionco.com](http://www.stockauctionco.com)

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THE CITY/COUNTY'S SPECIFICATIONS AND THE CONTRACTOR'S ACCEPTED PROPOSAL AND PRICING SCHEDULES, NOW ON FILE IN THE OFFICE OF THE CITY CLERK AND/OR THE COUNTY CLERK, ARE ADOPTED BY REFERENCE AND ARE AS FULLY A PART OF THIS CONTRACT FOR THE ABOVE-NAMED COMMODITY AS IF REPEATED VERBATIM HEREIN.

### PER PROPOSAL & SERVICE AGREEMENT

NO ACTION NEED BE TAKEN BY THE CONTRACTOR AT THIS TIME. ORDERS FOR MATERIAL WILL BE MADE AS NEEDED BY THE VARIOUS CITY/COUNTY DEPARTMENTS.

DEPARTMENTS REQUIRING CATALOGS AND/OR PRICING SCHEDULES SHALL NOTIFY THE CONTRACTOR DIRECTLY.

EO #  
Dated:

**SURPLUS PROPERTY  
AUCTIONEER SERVICES AGREEMENT**

THIS AGREEMENT, made this 21<sup>st</sup> ~~17<sup>th</sup>~~ day of April ~~March~~, 2005, by and between Stock Realty & Auction Company, hereinafter referred to as Auctioneer, and the City of Lincoln, Nebraska, a body corporate and politic, hereinafter referred to as City.

WHEREAS, the City of Lincoln has full authority to dispose of its surplus property by various means, including sale of such surplus property at auction; and

WHEREAS, because the City's resources are insufficient to conduct such surplus property auctions in a timely manner, it is then necessary to secure the services of an auctioneer.

WHEREAS, it is the purpose of this Agreement to provide for the Auctioneer to conduct surplus property auctions for the City of Lincoln.

NOW, THEREFORE, WITNESSETH that:

1. The City agrees to pay Auctioneer the following commissions based on percentages of gross proceeds, plus advertising, mailing, and related expenses, for providing surplus property auctioneer services in accordance with the terms and conditions set out below:
  - 1.1 For surplus rolling stock and heavy equipment:  
4.00% of gross sales.
  - 1.2 For surplus office furniture and related equipment:
    - 1.2.1 7.0% of the gross auction price or \$1,700.00 whichever is greater.
2. The term of this agreement shall be ~~one (1)~~ <sup>four (4)</sup> year from June 1, 2005 through May 31, 2009.
  - 2.1 Either party may cancel this agreement upon sixty (60) calendar days written notice.
  - 2.2 The City may cancel this agreement as of August 31<sup>st</sup> of any fiscal year upon fifteen (15) days written notice if funds are not appropriated for the continuance of the agreement into the following fiscal year.

3. The selling conditions for all auctions are "AS IS, WHERE IS".
  - 3.1 Auctions shall be with reserve, and all sales shall be subject to the approval of the City.
  - 3.2 The City reserves the right to withdraw from auction any lot/item prior to the auction date, and to reject any bid at auction. Any bid that is rejected by the City will not be included in gross sales.
4. The following auctioneer services for surplus property auctions shall be performed by the Auctioneer as essential elements of the agreement:
  - 4.1 Provide adequate personnel and resources to:
    - 4.1.1 Schedule delivery and receive surplus property at the auction site from the various departments prior to the auction;
    - 4.1.2 Arrange surplus property at the auction site;
    - 4.1.3 Conduct preview and auction to provide maximum asset recovery for the City of Lincoln; and
    - 4.1.4 Be responsible for clearing the auction site of all unclaimed and abandoned surplus property within a reasonable period of time after the auction as mutually agreed between the City and Auctioneer.
  - 4.2 Advertise auction in all appropriate newspapers, including the Lincoln Journal-Star and the Omaha World Herald.
    - 4.2.1 Advertisements shall be not less than one (1) column width X three (3) inches.
    - 4.2.2 Advertisements shall appear twice in the Lincoln Journal-Star, one of which advertisement shall appear the Sunday prior to the auction date.
  - 4.3 Design, print and distribute suitable handbills/brochures to prospective bidders on Auctioneer's mailing list.

- 4.4 Prepare auction catalog for public distribution, listing in order of sale the material to be auctioned, and assigning each lot/item an auction control number.
- 4.5 Register all bidders.
- 4.6 Provide concession wagon the day of the sale.
  - 4.6.1 Proceeds from sale of concessions shall be retained by the Auctioneer.
  - 4.6.2 Auctioneer shall be responsible for clean-up of debris from sale of refreshments.
- 4.7 Provide public toilet facilities.
- 4.8 Furnish adequate portable public address system capable of being heard at an outdoor auction.
- 4.9 Perform all usual and customary cashiering functions, including pre-numbered invoices for each lot/item sold.
- 4.10 Collect all auction proceeds, total all invoices, and prepare a final report of auction proceedings, and within ten (10) working days after each auction deliver to the City the final report and all auction proceeds, net of expenses, commission and taxes.
- 4.11 Assume liability and responsibility for:
  - 4.11.1 Unpaid lots/items and bad checks accepted by Auctioneer in payment for lots/items sold at auction.
  - 4.11.2 Remittance of all Nebraska sales & use taxes due for lots/items sold at auction.
  - 4.11.3 The handling and transfer of all vehicle titles, sales tax statements, odometer statements, and disclaimers.
  - 4.11.4 Pick up by successful bidders for lots/items purchased on the date of auction, but not later than 4:30 p.m. of the Wednesday following the auction.

4.11.5 Establish with the City an Electronic Surplus Registration method and provide the training needed for the use of it.

5. The following are the rights and responsibilities of the City of Lincoln associated with surplus property auctions:

5.1 Provide auction site, including ample public parking and roped-off sale area.

5.2 Provide access to maintenance records of surplus property for inspection by prospective bidders.

5.3 Provide clear titles and all appropriate title documents, free of encumbrances, for surplus property to be auctioned in sufficient time prior to auction date.

5.4 Provide Auctioneer a detailed listing of surplus property to be auctioned in sufficient time for Auctioneer to schedule delivery to auction site, to assemble inventory list for public distribution, and prepare advertising and associated mailings.

5.5 City will pay the cost of fuel and utilities for City property associated with preview and auction proceedings.

6. Auctioneer shall provide public liability insurance in the minimum amount of \$2,000,000.00 and automobile liability insurance in the minimum amount of \$1,000,000.00 combined single limit.

6.1 Such insurance shall name the City of Lincoln as "additional insured" as pertains to the performance of auctioneer services for the term of the agreement.

6.2 The policy shall insure the City from any and all demands, claims, causes of action at law or in equity resulting from the performance of auctioneer services.

6.3 Auctioneer shall provide Worker's Compensation Insurance for any employees of the Auctioneer who perform any work under the terms of the Agreement.

7. Auctioneer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, disability, age, or marital status; and shall comply with the provisions of the City's Affirmative Action Policy.

8. It is the express intent of the parties to this Agreement that the Auctioneer, Auctioneer's employees, or any persons acting on behalf of the Auctioneer shall be deemed to be an independent contractor, and not employees of the City.
9. Auctioneer shall not accept or offer gifts or anything of value, nor enter into any business arrangements with, any employee or official of the City with regards to the performance of this Agreement; and no employee or official of the City shall have personal financial interest in this Agreement.
10. The laws of the State of Nebraska shall govern the rights, obligations, and remedies of the parties hereto.

11. The terms and conditions of this Agreement may be reviewed periodically as either party may desire; and any modifications to the original Agreement must be properly documented as an attachment to the original Agreement.
12. The Auctioneer shall not sell, assign, transfer or convey any interest in this Agreement, in whole or in part, without prior written consent of the City.
13. All reports and supporting documents of all auctions that contain detailed records of auction proceedings shall become the property of the City of Lincoln.

Dated this 21<sup>st</sup> day of April 2005.

ATTEST:

CITY OF LINCOLN, NEBRASKA

Jean E. Ross  
City Clerk

Colleen J. Seng  
Mayor

AUCTIONEER:

BY:

Stock Auction Company  
Company Name

Mark F. Stock  
Signature

210 Beaver Street  
Street Address

MARK F. Stock V.P.  
Print Name Title

St. Edward NE 68660  
City State Zip

(Seal)

48-1306243  
Federal Employer I.D. Number

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Secretary